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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	(Chapter 11)
)	
Debtors.)	Jointly Administered
)	

**JOINDER OF THE FROST NATIONAL BANK IN RMBS TRUSTEES’
PRE-AUCTION OBJECTION TO DEBTORS’ SALE MOTION**

[This Pleading Relates to Dkt. No. 61 and 1242]

TO THE HONORABLE MARTIN GLENN, U.S. BANKRUPTCY JUDGE:

The Frost National Bank (“Frost”), a counterparty to a Servicing Agreement, creditor and party-in-interest in the above captioned bankruptcy case, files this Joinder to the RMBS Trustees’ Pre-Auction Objection [Dkt. No. 1242] to the Debtors’ Sale Motion [Dkt. No. 61]. In support, Frost respectfully shows the Court as follows:

I. BRIEF FACTUAL SUMMARY

1. Prior to the Petition Date, the Debtors engaged in the sale and servicing of real estate mortgages.
2. On June 30, 2000, Frost and GMAC Mortgage Corporation, joint-debtor and subsidiary of ResCap (“GMAC”) executed that certain servicing agreement for residential

mortgage loans (the “Frost Servicing Agreement”). Frost is the “Owner” under the Frost Servicing Agreement, and GMAC served as the “Servicer.” Unlike the RMBS Trustees, Frost is the owner of the mortgages covered by the Frost Servicing Agreement. Like the RMBS Trustees, Frost is at risk for being exposed to post-closing breaches of the Frost Servicing Agreement by Nationstar or the winning bidder that are effectively barred if they are deemed to have arising pre-Closing.

II. JOINDER

3. Frost joins in the paragraphs 9 through 26 of Preauction Objections of the RMBS Trustees To The Debtors’ Sale Motion except to the extent that the Frost Servicing Agreement is not a securitized pool of mortgages.

WHEREFORE, The Frost National Bank respectfully requests that any order granting the Sale Motion be modified to require that potential purchasers meet the Successor Servicing Requirements in the Frost Servicing Agreement, that potential purchasers be required to assume all defaults under the Frost Servicing Agreement attributable to pre-closing activities, and that Frost have such other and further relief to which it is entitled.

Dated: August 23, 2012.

Respectfully submitted,

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